



# therapyfocus

growing potential

## BOARD CHARTER

<b>DIVISION:</b>	Board
<b>AREA/TEAM:</b>	Governance Committee
<b>LAST REVIEWED:</b>	10 January 2017
<b>DUE TO BE REVIEWED:</b>	10 January 2018



## 1. PURPOSE OF CHARTER

This Board Charter sets out the role, composition and responsibilities of the Board of Directors (“the Board”) of Therapy Focus Ltd (“the company”).

The conduct of the Board is also governed by the Constitution of Therapy Focus Ltd, the company’s Corporate Governance Policy, the Corporations Act 2001 (and associated amendments), and other applicable regulations.

## 2. PURPOSE OF THE BOARD

The Board has two broad purposes: compliance and performance.

### 2.1. Compliance: conform with or exceed all legal requirements

#### 2.1.1. Legal

- Comply with directors’ responsibilities
- Comply with laws and regulations

#### 2.1.2. Accountability

- Monitor financials
- Oversee compliance audits

### 2.2. Performance: assist the company to perform to its best potential

#### 2.2.1. Strategy and policy

- Approve the purpose statement and ensure it is embedded into the company’s operations
- Approve strategic plan and policies and monitor regularly

#### 2.2.2. Accountability

- Monitor the overall performance of the company
- Evaluate Board performance and succession plan
- Report outcomes to stakeholders
- Manage Chief Executive Officer

#### 2.2.3. Public Relations

- Represent and participate
- Keep stakeholders informed
- Speak with one voice regarding Board decisions

#### 2.2.4. Risk Management

- Ensure up to date and effective risk management

The Board, while meeting its responsibilities, is mindful of the company’s purpose and the objects of the company as embodied in its Constitution.

### 3. ROLES AND RESPONSIBILITIES

The Board has delegated authority for the operations and administration of the company to the Chief Executive Officer (CEO).

#### 3.1. The functions of the Board are to:

##### 3.1.1. Provide effective leadership and collaborate with the Executive Team in:

- Articulating the company's values, purpose and strategies
- Developing strategic plans and determining strategic objectives
- Developing and maintaining a company structure to support the achievement of agreed strategic objectives

##### 3.1.2. Monitor the performance of the CEO against agreed performance indicators

- Monitor the achievement of the strategic and business plans and annual budget outcomes
- Establish such committees, policies and procedures as will facilitate the more effective discharge of the Board's roles and responsibilities
- Ensure, through the Board committees and others as appropriate, compliance obligations and functions are effectively discharged
- Initiate a collective Board self-evaluation program and follow-up action to deal with issues arising and arrange for directors to attend courses, seminars and participate in development programs as the Board judges appropriate
- Ensure that all significant systems and procedures are in place for the company to run effectively, efficiently, and meet all legal and contractual requirements
- Ensure that all significant risks are adequately considered and accounted for by the Executive Team
- Ensure that the company has appropriate corporate governance structures in place including standards of ethical behaviour and promoting a culture of corporate and social responsibility
- Perform such other functions as are prescribed by law, or assigned to the Board

The Board has no operational involvement in the conduct of the company's business activities and delivery of services. The Board is responsible for the achievement of strategic objectives of the company and anything impacting on that, including risks.

The Board may give orders and directions to the Chief Executive Officer, but not to other employees of the company, and no individual member of the Board shall give orders or directions to any employee of the company.

### 4. MEMBERSHIP AND TERM

The Constitution provides for a minimum of three directors and a maximum of nine directors, from which that number elects a Chairperson.

The Board also appoints a Secretary of the company.

The Board operates sub-committees. The Audit and Investment Committee and the Governance and Risk Committee members are drawn from Board members and report to the Board.

The Parent Reference Group is drawn from the company's stakeholders and reports to the CEO.

As per the Constitution, the Board should endeavour to have two members who have a lived experience of disability. It is expected that at least one of these members will be a nominee from the Parent Reference Group.

The Board consists only of non-executive directors. That is, no member of the Board is a member of the paid staff of the company.

Directors participate on the Therapy Focus Board on a voluntary basis and no sitting fees are paid.

Directors are free from any interest and any business or other relationship which could, or could reasonably be perceived to materially interfere with the director's ability to act in the best interests of the company.

Membership of the Board, as well as those members participation in meetings, shall be disclosed in the annual Directors' Report.

## 5. MEETINGS

The Board meets regularly, at least six times per year. There is provision to call special meetings at other times to deal with urgent or special matters. The quorum for Board meetings is half the members of the Board.

Under the Constitution meetings may be held using any technology that gives all the Board members an opportunity to participate.

The Board makes decisions by either consensus or by putting an issue to a vote. When a vote is held, each Director has a deliberative vote. If there is an equal number of votes, the person presiding at the meeting shall have a casting vote in addition to their deliberative vote.

The Board may invite guest speakers, including managers, to attend Board meetings.

Directors are expected to attend at least 75% of Board meetings. This also includes attendance at committee meetings and briefings.

## 6. BOARD/CEO RELATIONSHIP

The roles of the Chairperson and the CEO are strictly separated.

The CEO is responsible for:

- The achievement of the strategic objectives detailed in the Strategic Plan
- The policy framework that applies to the operations of the company
- The efficient and effective operation of the company

The CEO is not a member of the Board.

## **7. BOARD CULTURE**

The Board actively seeks to have an 'engaged culture' which is characterised by candour and a willingness to challenge. The following is used to provide evidence of an engaged culture:

### **7.1. Agendas**

**7.1.1. The agendas of the Board maximise discussion time.**

**7.1.2. There are opportunities for informal interactions among Board members.**

### **7.2. Norms**

#### **7.2.1. Board members:**

- Are honest yet constructive.
- Are ready to ask questions and willing to challenge leadership.
- Actively seek out other members' views and contributions.
- Spend appropriate time on important issues.

## **8. REPORTING**

Proceedings of all meetings are minuted and signed by the Chairperson of the meeting.

Minutes of all Board meetings are circulated to directors and approved by the Board at the subsequent meeting.

## **9. MATTERS SPECIFICALLY RESERVED TO THE BOARD**

The Board reserves the right to review and amend this list from time to time as is considered necessary.

### **9.1. The following matters are reserved to the Board:**

**9.1.1. Appointment of office bearers**

**9.1.2. Appointment, termination and remuneration of the CEO**

**9.1.3. Appointment and termination of members of Board committees**

**9.1.4. Director and CEO succession planning**

**9.1.5. Delegation of authority to the CEO**

**9.1.6. Disclosure of conflicts of interest**

**9.1.7. Assessment of the Board's and CEO's performance**

**9.1.8. Terms of Reference of Board Committees**

**9.1.9. Management of employee grievances against a Director or CEO**

**9.1.10. Approval of the Strategic Plan, including the Strategic Objectives and associated key performance indicators**

**9.1.11. Approval of annual financial statements and budget**

**9.1.12. Acceptance of audit reports including management letters**

**9.1.13. Approval of the purchase of buildings**

**9.1.14. Major transactions outside of budget or the ordinary course of business**

**9.1.15. Approval for proposals for major expansion or closures**

**9.1.16. Any borrowing or giving security over assets**

**9.1.17. Any investments outside of the agreed investment policy**

**9.1.18. Risk Management**

**9.1.19. Actions or transactions which might involve questions of legality or propriety**

**10. DELEGATIONS**

Subject to the Board's ultimate responsibility for oversight under Item 3, the Board may delegate to its committees, a director or any other person in authority to perform any of its functions and exercise any of its powers.

The Chairperson shall be first amongst equals.

In this policy where it relates to the Board, the Board can be represented by two directors by authority of the board for the purpose of signing contracts.

For Therapy Focus Ltd's Delegation Authority, please see the Quality Circle.

**11. REVIEW OF CHARTER**

The Governance Committee, on behalf of the Board, will review this charter annually to ensure it remains consistent with the Board's objectives and responsibilities.

**12. PUBLICATION OF THE CHARTER**

Key features of the charter are to be outlined in the company's Annual Report.

A copy of the charter is available at [www.therapyfocus.org.au](http://www.therapyfocus.org.au)